

## BUDGET (12)

### *AGENCY PLAN: STATEMENT OF PURPOSE, GOALS AND BUDGET SUMMARY*

#### STATEMENT OF PURPOSE:

The Budget Department compiles and monitors all necessary financial planning information and makes recommendations so that the City Administration can efficiently deliver quality services to improve public safety, accelerate economic development and improve the financial health of the City.

#### AGENCY GOALS:

1. Develop quality Departmental and Citywide financial plans.
2. Monitor conformity of Departmental activities with financial and operations plan.
3. Assist in the ongoing formulation of the Administration's priorities through systematic communication of quality fiscal analyses.
4. Provide efficient quality and user-friendly services to departments and key stakeholders of the City.

#### AGENCY FINANCIAL SUMMARY:

2007-08 <u>Requested</u>		2006-07 <u>Budget</u>	2007-08 <u>Recommended</u>	Increase (Decrease)
\$ 2,916,498	City Appropriations	\$ 2,752,101	\$ 2,834,834	82,733
\$ 2,916,498	Total Appropriations	\$ 2,752,101	\$ 2,834,834	\$ 82,733
\$ 2,916,498	NET TAX COST:	\$ 2,752,101	<u>\$ 2,834,834</u>	\$ 82,733

#### AGENCY EMPLOYEE STATISTICS:

2007-08 <u>Requested</u>		2006-07 <u>Budget</u>	04-01-07 <u>Actual</u>	2007-08 <u>Recommended</u>	Increase (Decrease)
<u>23</u>	City Positions	<u>23</u>	<u>23</u>	<u>23</u>	<u>0</u>
23	Total Positions	23	23	23	0

#### ACTIVITIES IN THIS AGENCY:

	2006-07 <u>Budget</u>	2007-08 <u>Recommended</u>	Increase (Decrease)
Budget Operations	\$ 2,752,101	\$ 2,834,834	82,733
Total Appropriations	\$ 2,752,101	\$ 2,834,834	\$ 82,733

## **BUDGET (12)**

### ***BUDGET OPERATIONS ACTIVITY INFORMATION***

#### **ACTIVITY DESCRIPTION:**

The Budget Department is primarily responsible for the preparation of the annual operating and capital improvement budgets; and the biennial five-year capital agenda. Critical functions are monitoring City revenues and expenditures throughout the fiscal year, and relating financial activity to the plan expressed by the budget and to the long-term strategic direction set for the City. Development, implementation, and coordination of management information systems are essential to all aspects of financial planning and control. Budget Department staff coordinates city employee travel, process telecommunication payments, and performs management audits of City operations as staffing levels permit.

#### **GOALS:**

1. Develop quality Departmental and Citywide Financial Plans.
  - Departments have meaningful involvement in development of Departmental plans.
  - Budget staff analyzes proposals and develops needed alternatives.
  - Citywide plans reflect a special focus on the Mayor's priorities and are consistent with the overall strategic direction set for the City.
2. Monitor conformity of Departmental activities with financial and operational plans.
  - Budget staff spends an adequate amount of time with Departmental representatives.
  - Budget variances are explained and, where possible, predicted.
3. Assist in the ongoing formulation of the Administration's priorities through systematic communication of quality fiscal analyses.
  - Budget leadership is in regular/ongoing and useful dialogue with Administration about its policy directions.
  - Budget staff has special focus on the Mayor's service priorities in ongoing analysis (pro-active).
4. Provide efficient, quality and user-friendly services to departments and key stakeholders of the city.
  - The staff is trained and oriented to their responsibilities.
  - The Budget Department offers useful management information to Departments and the Administration.
  - The Department spends less time on processing activities.

#### **MAJOR INITIATIVES FOR FY 2006-07:**

Budget staff continues its more aggressive cost monitoring of the past few years. Budget Teams continue to hold regular meetings with each agency to control expenditures, process improvement studies, support attempts to maximize revenue, or reduce program costs.

The Budget Department maintains an inventory of telecommunication devices in the City. The employee travel directive has been revised and a new reconciliation process has been rolled out – accomplished in-house. Teams have taken on the responsibility of handling travel reconciliations, which provides an individual response to concerns and issues.

In conjunction with the Annual Public Budget Meetings every fall, Budget staff presents information about the budget process to high schools, police community relations and neighborhood organization meetings throughout the city. In 2006, the outreach effort was reduced because of reductions in force, and overall participation at the meetings and in the Annual Citizen Survey decreased. In 2007, we will revamp the outreach process to better integrate it into other City outreach. This will include resolving some of the technology problems associated with the survey. We will also revisit the program methodologies so the effort continues to thrive.

In the Fall of 2006, the Non-Departmental team produced the Biennial Five-Year Capital Agenda. This process documents the entities in the City with capital programs, the capital needs of City agencies, and proposes a capital plan relating to the City's General Obligation Bond program. In 2007-08, we will work with the General Services Department to integrate its expertise into the capital planning process for 2008.

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The Budget Department continues to provide technical support to agencies. Staff has supported the creation of the General Services Department by participating in the interagency transition committee and through special organizational projects. Staff also continues to support Labor Relations with analysis for the Act 312 Arbitration process for Police, Fire and retiree benefits. Since 2005, the major cost-saving initiatives for which we have provided analysis have been related to health care benefits.

Department staff periodically sits on RFP committees, and in 2006-07 have been part of the General Services Department's vehicle loaner rental program. Budget staff are members of numerous interagency working groups: the Transportation Group, the Vehicle Management Steering Committee (which budget staff also support), and the Procurement Review Committee. Ongoing training seminars for City agencies are held annually: BRASS, budget request development, and vehicle planning sessions. Eighty (80) city staff participated in BRASS training in 2006.

### PLANNING FOR THE FUTURE FOR FY 2007-08, FY 2008-09 and BEYOND:

The Budget Department has been a leader in the application of new technologies, in outreach and partnerships, and in process improvement efforts to improve efficiencies and better serve agencies and citizens. As a result, the Department has achieved a high level of professional excellence and innovation.

The Budget Department is a winner of the Government Finance Officers Association (GFOA) Distinguished Budget Award for 10 consecutive years, and has a commitment to public sector standards for planning and reporting of financial information. Accordingly, we would like to redesign our Executive Budget, Adopted "redbook" budget, and Five-Year Capital Agenda documents to make information more user-friendly. In coming years, we will add CD-ROM options to our document distribution. We are also developing standards for document archiving and retention.

In conjunction with renewed efforts of long team planning in the last few years, we will further integrate geographic information systems (GIS) capability into our processes.

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### *BUDGET OPERATIONS MEASURES AND TARGETS*

Type of Performance Measure List of Measures	2004-05 Actual	2005-06 Actual	2006-07 Projection	2007-08 Target
<b>Inputs: Resources Allocated or Service Demands Made</b>				
Personnel letters and requisitions evaluated and processed	1,688	1,330	1,500	1,330
Council and Finance Letters evaluated and processed	440	245	300	300
Personal Service Contracts reviewed, evaluated and processed	452	282	210	200
Team site visits to departments	100	50	100	100
<b>Outputs: Units of Activity directed toward Goals</b>				
Agencies attending Budget Request Seminar	37	32	32	32
Management Audit reports completed	3	5	6	6
Average number of days turnaround on Personal Service contracts	10	26.7	14.5	14.5
Average number of days turnaround on personnel letters	8	23.9	11.1	8
Average number of days turnaround on Finance/Council letters	11	28.4	11.9	11.9
Average number of days between travel request and approval	7	6.3	7	5
<b>Outcomes: Results or Impacts of Program Activities</b>				
Estimated General Fund surplus/deficit as % actual	99%	99%	99%	99%
Total citizen participation in the Citizen Budget Program	353	671	184	800
Department satisfaction ratings (1-5 scale)	4.00	3.99	3.99	3.99
<b>Activity Costs</b>	<b>\$3,099,076</b>	<b>\$2,627,033</b>	<b>\$2,752,101</b>	<b>\$2,834,834</b>

**CITY OF DETROIT**  
**Budget Department**  
**Financial Detail by Appropriation and Organization**

<b>Budget Operations</b>	<b>2006-07 Redbook</b>		<b>2007-08 Dept Final Request</b>		<b>2007-08 Mayor's Budget Rec</b>	
	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>
<b>Budget Department Operations</b>						
<i>APPROPRIATION ORGANIZATION</i>						
00226 - Budget Department Operations						
120010 - Budget Operations	23	\$2,752,101	23	\$2,916,498	23	\$2,834,834
<b>APPROPRIATION TOTAL</b>	<b>23</b>	<b>\$2,752,101</b>	<b>23</b>	<b>\$2,916,498</b>	<b>23</b>	<b>\$2,834,834</b>
<b>ACTIVITY TOTAL</b>	<b>23</b>	<b>\$2,752,101</b>	<b>23</b>	<b>\$2,916,498</b>	<b>23</b>	<b>\$2,834,834</b>

**CITY OF DETROIT**  
**Budget Development for FY 2007-2008**  
**Appropriations - Summary Objects**

	<b>2006-07</b>	<b>2007-08</b>	<b>2007-08</b>
	<b>Redbook</b>	<b>Dept Final</b>	<b>Mayor's</b>
		<b>Request</b>	<b>Budget Rec</b>
<b>AC0512 - Budget Operations</b>			
<i>A12000 - Budget Department</i>			
SALWAGESL - Salary & Wages	1,426,699	1,522,178	1,522,178
EMPBENESL - Employee Benefi	1,044,085	1,085,986	1,007,733
PROFSVCSL - Professional/Cont	5,000	5,000	5,000
OPERSUPSL - Operating Supplie	77,635	90,960	90,960
OPERSVCSL - Operating Service	188,607	193,513	197,097
CAPEQUPSL - Capital Equipmen	0	8,786	8,786
OTHEXPSSL - Other Expenses	3,080	3,080	3,080
FIXEDCHGSL - Fixed Charges	6,995	6,995	0
<i>A12000 - Budget Department</i>	<i>2,752,101</i>	<i>2,916,498</i>	<i>2,834,834</i>
<b>AC0512 - Budget Operations</b>	<b>2,752,101</b>	<b>2,916,498</b>	<b>2,834,834</b>
<b>Grand Total</b>	<b>2,752,101</b>	<b>2,916,498</b>	<b>2,834,834</b>

**CITY OF DETROIT  
MAYOR'S 2007/2008 RECOMMENDED BUDGET**

**Budget Department**

<b>Appropriation</b>	<b>REDBOOK FY 2006</b>	<b>DEPT REQUEST</b>	<b>MAYORS FY 2007</b>
<b>Organization</b>	<b>2007 FTE</b>	<b>FY 2007 2008</b>	<b>2008 FTE</b>
<b>Classification</b>			
<b>00226 - Budget Department Operations</b>			
<b>120010 - Budget Operations</b>			
Budget Director	1	1	1
Deputy Budget Director	1	1	1
General Manager - Budget	1	1	1
Manager II - Budget	3	3	3
Manager I - Budget	6	6	6
Principal Budget Analyst	1	1	1
Senior Budget Analyst	8	8	8
Executive Secretary III	1	1	1
Executive Secretary II	1	1	1
<b>Total Budget Operations</b>	<b>23</b>	<b>23</b>	<b>23</b>
<b>Total Budget Department Operations</b>	<b>23</b>	<b>23</b>	<b>23</b>
<b>Agency Total</b>	<b>23</b>	<b>23</b>	<b>23</b>